

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113
Sacramento, CA

Minutes of Meeting
October 5, 2006

COMMISSIONERS PRESENT

Cathie Bennett Warner, Chair
Michele Burton, M.P.H.
Teresa P. Hughes
Vicki Marti

COMMISSIONERS ABSENT

Diane M. Griffiths
Nancy McFadden

CMAC STAFF PRESENT

Keith Berger, Executive Director
Enid Barnes
Tacia Carroll
Paul Cerles
Denise DeTrano
Holland Golec
Katie Knudson
Marilyn Nishikawa
Becky Swol
Michael Tagupa
Mervin Tamai
Karen Thalhammer
Steve Soto

EX-OFFICIO MEMBERS PRESENT

Toby Douglas, Department of Health Services
Thomas Williams, Department of Finance

I. Call to Order

The October 5, 2006 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Cathie Bennett Warner. A quorum was present.

II. Approval of Minutes

The September 21, 2006 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Keith Berger, Executive Director, began his report by informing the Commission that he would keep his comments short because of a full closed session agenda again this meeting.

Mr. Berger indicated that there were a number of new amendments and contracts before the Commissioners for review and action. He said there were also some key negotiation updates and several important discussions regarding current hospital and managed care negotiations and strategies.

As reported last meeting, Mr. Berger said that CMAC staff has made significant progress on implementation of Round 2A of the Private Hospital Supplemental Fund. With the release last month of the FY2006-07 Tentative Disproportionate Share Hospital (DSH) List, CMAC staff was able to begin finalizing negotiations with those hospitals meeting the initial eligibility criteria. He said that CMAC had now completed almost all of those negotiations and should have the final amendments before the Commissioners for action over the next couple of months.

Mr. Berger concluded his report by reminding the Commission that the final determination of a hospital's eligibility for payments in Round 2 will take place once the FY2006-07 Final DSH List is published by the California Department of Health Services (CDHS), later in the fiscal year. He said that at that time, CMAC would be in a position to administer Round 2B of the Private Hospital Supplemental Fund and the Nondesignated Public Hospital Supplemental Fund.

IV. Department of Health Services (CDHS) Report

Toby Douglas, Assistant Deputy Director, Medical Care Services, CDHS, began his report by updating CMAC on the Health Care Coverage Initiative, part of the Hospital Financing Waiver. Mr. Douglas confirmed that CDHS had released a draft of the Request for Application (RFA) for the Healthcare Coverage Initiative to stakeholders for review and comment, and had received a large number of responses. He said the responses varied from concerns regarding geographic distribution to Certified Public Expenditures. He assured CMAC that CDHS would continue to review these comments and issue the final RFA by the end of October, to be enacted by September 2007.

V. Public Comments

Donna Gerber, Director of Governmental Relations, California Nurses Association (CNA), affirmed, on behalf of CNA and its members who are employees of the West Contra Costa Healthcare District (WCCHD), support for state financial assistance for Doctors Medical Center San Pablo. Ms. Gerber referenced a September 29, 2006 letter sent by CNA to CDHS, Contra Costa County Emergency Medical Services Agency and Contra Costa Health Services, (attached) demanding those entities take immediate action to preserve

public health and safety due to the healthcare crisis brought on by the fiscal insolvency of the WCCHD. Ms. Gerber continued to reference the imminent closure of the Emergency and Obstetrics Departments at Doctors Medical Center San Pablo, and the spiraling decline of healthcare services resulting from the ongoing financial troubles within the WCCHD, which require immediate response.

(Please see attached letter for more information.)

Richard Thomason, Policy Director, United Healthcare Workers West, SEIU, echoed Ms. Gerber's request of support for assistance from the State for Doctor's Medical Center San Pablo. Mr. Thomason reiterated this hospital's importance and how it is geographically essential to the area.

VI. Adjournment

There being no further new business and no other comments from the public, Chair Cathie Bennett Warner recessed the open session. Chair Bennett Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair Bennett Warner announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.



**CALIFORNIA
NURSES
ASSOCIATION**

A Voice for Nurses - A Vision for Healthcare
www.calnurses.org

Via Facsimile Nos. (916) 440-7404 ; (925) 646-4379; (925) 957-5409 and First Class Mail

September 29, 2006

**Sandra Shewry, Director
California Department of Health Services
PO Box 997413
Sacramento, CA 95899-7413**

**Art Lathrop, Director
Contra Costa County Emergency Medical Services Agency
1340 Arnold Drive, Suite 126
Martinez, CA 94553**

**William Walker, MD
Director and Health Officer
Contra Costa Health Services
50 Douglas Drive
Martinez, CA 94553**

**RE: West Contra Costa Healthcare District - Doctors Medical Center
Public Health Emergency**

Dear Directors Shewry, Lathrop and Walker:

On behalf of the California Nurses Association ("CNA"), its approximately 400 members employed as Registered Nurses by the West Contra Costa Healthcare District ("WCCHD"), and the 250,000 citizens of West Contra Costa County, we are writing to demand that the Department of Health Services ("DHS") and the County of Contra Costa and its Emergency Medical Services Agency ("Contra Costa EMS Agency") take immediate action to preserve public health and safety in light of the healthcare crisis brought on by the fiscal insolvency of the WCCHD. The imminent closure of the Emergency and Obstetrics Departments at Doctors Medical Center in San Pablo and the spiraling decline of healthcare services resulting from the ongoing financial troubles within the WCCHD requires an immediate response.

The Hospital District's attempted "solutions" to the fiscal crisis have failed. The recent announcement by the private doctor groups providing medical services at DMC that they are withdrawing their services on various units effective in the coming days and weeks will result in immediate closure of critical services, including closure of the Obstetrics Department (announced closure effective September 30) and the Emergency

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Department (apparently closing by October 11). Efforts to stave off bankruptcy by pleas for sufficient funds to continue operations as currently managed for a few weeks at a time is a flawed and wasteful strategy. The pending loss of critical patient services constitutes a health emergency requiring immediate intervention by the State and the County.

The plans of the WCCHD health officials devised to date for handling West County life-threatening illnesses are woefully inadequate to address the serious public health and safety concerns raised by the pending closure of Obstetrics and Emergency services for the residents of West County served by the DMC facility. Eighty Four babies were born at DMC last month. That number is typical and indicative of the essential services provided by the facility to the residents it has historically served. No effective effort has been made to provide alternatives for the families who depend on DMC for care.

Regarding the loss of emergency services, you will recall that the threatened closure of the DMC Emergency Department ("ED") in 2004 was thwarted after an Impact study commissioned by the Contra Costa EMS Agency warned, among other things, that in the event of downsizing or closure of the ED, "[i]t is unlikely that all ambulances could be safely diverted to other regional EDs without some risk to patient care," "[w]aiting times at Kaiser Medical Center Richmond will likely reach 10-12 hours for walk-in patients," and "there would be a significant drop in emergency resources available in the event of a major emergency."¹

Indeed, concern over the risk of patient deaths resulting from WCCHD's decision two weeks ago to divert ambulances seems well founded given the County's data on emergency ambulance transports in West Contra Costa County. Out of a total of 14,384 transports in calendar year 2005, 56.9% - - more that all other emergency services facilities combined - - were directed to the DMC ED. Closure of that facility is quite literally a life and death issue, especially in light of the fact that West Contra Costa County is one of the most illness-prone regions in Northern California. The residential neighborhoods bordering the refineries and other local heavy industries know all too well the need for close, competent emergency services following the periodic chemical spills and spewing of toxic gasses.

CNA urges the State and Contra Costa County to take seriously their obligations to protect the public health and safety in light of the imminent closure of the DMC ED. You have the benefit of the 2004 Abaris impact study on the consequences of closing this essential emergency department and cannot deny that catastrophic results have been predicted. That report provides a careful analysis of community access to emergency care and how the closure will affect emergency services provided by other entities.

¹ Contra Costa County Emergency Medical Services Agency, Study of West County ED & Critical Care Access/Capacity Issues – Final Report prepared by the Abaris Group, dated March 31, 2004, at p. 6.

Directors Shewry, Lathrop and Walker
RE: West Contra Costa Healthcare District - Doctors Medical Center
Public Health Emergency
September 29, 2006
Page 3

Given the certainty of the dire outcome of the pending closure, responsible action must be undertaken immediately.

In addition, the County conducted an impact analysis of the closure of the Doctor's Hospital Pinole acute care facility when Tenet closed the acute care and emergency facilities. That analysis resulted in a request to the State DHS that they intervene to thwart the its closure. The State declined, citing a lack of authority.

The entire western section of the County and a portion of Alameda County is now essentially without adequate ER, ICU and medical/surgical services.

Contra Costa County has an impressive, demonstrated record of providing quality health care services to similarly underinsured patients through its own Health Services Department. The public health model so successfully employed by the County should serve as a template for the solution to the failed private sector model the WCCHD has attempted to implement. **We believe the only responsible action to be taken at this point is for the County to enter into a management agreement with WCCHD, by which the County is given full authority over all WCCHD management and operations and is shielded from responsibility for all debt preexisting the effective date of the change in operations.**

We realize that neither the State nor the County are responsible for the current situation; but on behalf of the residents of that region, we ask that you take action immediately in order to protect the public.

Many of our Registered Nurses have been employed at the DMC facility for more than 30 years, some more than 40 years. They are dedicated to serving the patients of West County and can attest to the emergency nature of the crisis that currently exists. They are gravely concerned. Please exercise your authority to act quickly and effectively on behalf of the citizens of West Contra Costa County.

Very truly yours,

Donna Gerber

Donna Gerber
Director of Government Relations

cc: The Honorable Don Perata, President pro Tempore, California State Senate
The Honorable Loni Hancock, California State Assembly
Contra Costa County Board of Supervisors
DMC Health Care District Board
Deborah Burger, RN, President CNA